VZCZCXRO7875 OO RUEHDE DE RUEHMK #1192/01 1841255 ZNY CCCCC ZZH O 031255Z JUL 06 FM AMEMBASSY MANAMA TO RUEHC/SECSTATE WASHDC IMMEDIATE 5135 INFO RUEHZM/GULF COOPERATION COUNCIL COLLECTIVE PRIORITY RUEHC/DEPT OF LABOR WASHDC PRIORITY RHBVAKS/COMUSNAVCENT PRIORITY RHMFISS/HQ USCENTCOM MACDILL AFB FL PRIORITY

C O N F I D E N T I A L SECTION 01 OF 03 MANAMA 001192

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NEA/ARP, DRL FOR JDEMARIA DEPARTMENT OF LABOR FOR PACCOLA AND JRUDE

E.O. 12958: DECL: 06/28/2016

TAGS: <u>ELAB PGOV PREL BA HUMRIT POL REFORM</u>
SUBJECT: FLURRY OF SPRING STRIKES NETS WORKER BENEFITS

REF: MANAMA 1175

Classified By: DCM Susan L. Ziadeh for reasons 1.4 (b) and (d).

Summary -----

11. (C) There have been several incidents of labor actions, strikes and near-strikes, involving both Bahraini and expatriate workers over the past several months. These actions have ranged from unauthorized strikes by non-union South Asian and Southeast Asian expatriate workers to, from a Western labor perspective, more traditional strikes by union members or mediation to avert potential strikes. In all cases, management sat down with worker representatives, discussed worker demands, and agreed to some concessions. None of the events resulted in violence on the part of workers or management, although in one case alleged violence against a worker by a manager initiated the strike by workers in support of their colleague. One of the companies at which a temporary work stoppage occurred is DynCorp International, military contractor to the U.S. Naval Support Activity in Bahrain. End Summary.

Expat Workers Start the Ball Rolling _____

¶2. (U) Bahrain has seen several high profile strikes and/or threatened strikes over the last several months. On January 17, Al Khayam Construction Company reported that it had paid back wages to 61 workers from India and had repatriated them following the start of an unauthorized strike in November 2005, during which the workers claimed they had not been paid for several months. (Note: The workers were involuntarily repatriated. End note.) Company chairman Shaikh Ahmed Bin Ibrahim Al Khalifa admitted that workers had been due back pay for two or three months because of a delayed payment from one of Al Khayam's clients. He publicly expressed his displeasure that the Ministry of Labor had supported the workers' plea to stop working until compensated. According to Shaikh Ahmed, the strike resulted in his company's loss of four contracts.

Chicago-Based DynCorp Workers Stage Short Stoppage

13. (U) Approximately 80 mostly Bahraini workers at DynCorp International, which provides technical services to the U.S. Naval Support Activity, stopped working for two hours April 18 while trade union leaders discussed member demands with

management. The work stoppage came after at least three-quarters of the 62 members of the DynCorp Workers Trade Union voted in favor of a strike. (Note: Seventy-five percent is the current legal minimum to call a strike, but as is reported reftel, legislation has passed parliament and is currently awaiting the King's signature, that would require merely a simple majority to call a strike. End note.) At issue were a food allowance given only to expatriate workers, reinstatement of an annual 2.5 percent pay raise for all employees that had been discontinued in the wake of a sizable recent raise, and a union demand to provide a social allowance to Bahraini workers. The social allowance is a customary provision given by some companies to its workers based on their marital status and family size.

14. (C) DynCorp site manager Tommy Almquist told PolOff July 2 that the food allowance is included in the contracts of all expatriate workers because they do not have the benefit of families and residences in Bahrain. The Ministry of Labor has taken the issue under consideration but has not rendered a government decision on the matter. The union filed a suit against DynCorp on the food allowance and is awaiting a decision from the courts on whether the food allowance is discriminatory. Almquist affirmed that DynCorp will abide by the decision of the court. The Ministry of Labor has also considered the social allowance matter, stating that some companies do provide this allowance for their Bahraini employees, but noting that there is no legal compulsion to do so. DynCorp has reinstated the 2.5 percent annual pay raise for all employees.

Threatened Strike Nearly Cripples Airport

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15. (U) Bahrain Airport Services (BAS) Trade Union leadership presented a petition June 19 that was signed by more than 1,000 members, over 90 percent of its membership, authorizing the union to call a strike. Union demands included higher wages for the lowest paid workers, shift allowances for those working evening and night shifts, and worker inclusion in a company savings plan. Union representatives discussed these issues with BAS management June 26 in the presence of officials from the Ministry of Labor and the General Federation of Bahrain Trade Unions. BAS management announced June 28 that under an agreement with the union, employees would be enrolled in a company savings plan and evening and night shift workers would have their allowances increased by over 200 percent beginning in September. This agreement brings all workers' monthly salaries above 200 Bahraini Dinars (\$530), an amount that the government has targeted in recent months as a minimum salary for Bahraini workers.

Non-Union Expats Flex Their Muscles

16. (U) Approximately 2,000 expatriate workers of Consolidated Contractors Company (CCC), a Bapco (Bahrain Petroleum Company) subcontractor, called a strike April 15 to support a fellow worker who was allegedly roughed up when he refused to sign an agreement to be shifted to the company's Qatar facilities. The aim of the strike was to protest the forced move and to call attention to the substandard living and working conditions at both the Qatar and Bahrain operations. The workers in Bahrain live in a labor camp, one of approximately 270 in Bahrain, consisting of small cabins housing 12 men each. Common complaints centered on the poor quality of food and health care at the camp. Workers pointed to a "fee" that the company imposed when a worker had completed his contract and wanted to return to his home country. Another complaint stated that when workers appointed leaders to represent their wishes before the management, these representatives were dismissed and

deported.

- 17. (U) The strike at CCC lasted five days, ending when management agreed to a five percent pay raise, improvements in living conditions, cessation of any return fees, and compensation to workers for the five days of the strike. Representatives of four embassies were involved in the discussions to assure that their citizens' rights were respected. The Ministry of Labor declared the strike to be illegal because by law only unions have the right to declare a strike after a vote by their members.
- ¶8. (U) In another example of a spontaneous work stoppage, nearly 1,000 workers at Down Town Construction Company stopped working May 27 to protest living and working conditions. Workers reported that the sewage in their labor camp was blocked and had formed a pool near their sleeping quarters and that drinking water for the camp was transported in the same tank as the camp's non-potable water. Workers also complained about the camp's food market which reportedly sold products past their expiration date and charged exorbitant prices for vegetables. According to the mostly Indian and Pakistani workers, they earn only between \$120 and \$330 monthly, but the company deducts monthly installments of more than \$25 from many of the employees' salaries to pay for their visa fees. On May 28, company director Shaikh Isa Bin Abdulla Al Khalifa agreed to end the deductions, provide clean drinking water, improve living conditions, provide medical insurance, and work to resolve the sewage problem.

Comment

¶9. (C) Workers in Bahrain seem to have found their voices of late to speak out against abuses and collectively demand that their concerns be addressed. These events have consisted both of unions speaking out on workers' behalf and spontaneous uprisings by non-union expat workers who are fed up with the status quo and have the advantage of numbers behind them. Expatriate workers from the sub-continent may have been emboldened by what they saw happen in Dubai earlier in the year. Although they have the right, expatriate workers seldom join unions in Bahrain for fear of retribution against them by management. Newly passed legislation protects workers who are harassed or dismissed for union activity, but it will likely be quite some time before expat

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workers feel confident enough to take part in unions on a large scale. In the meantime, expat workers will probably continue to rely upon unofficial labor actions until they feel confident enough that their rights will be protected by joining a union.